

## DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

700 North 10th Street, Room 258  
Sacramento, CA 95814  
(916) 341-4200  
(916) 341-4203 (FAX)  
(916) 327-6318 (TDD)



January 30, 2007

TO: LEAD HAZARD CONTROL PROGRAM SERVICE PROVIDERS

SUBJECT: 2007 LEAD Contract

Enclosed is your 2007 Lead Hazard Control Program (LHC) contract and exhibits with the Department of Community Services and Development (CSD). The contract term is February 1, 2007 through April 30, 2009. The reporting forms to be used during this contract period will be available on CSD's website at <http://www.csd.ca.gov> Contractors Only site.

As you know, the Department of Housing and Urban Development (HUD) has mandated grantees to collect and report additional project unit information. Effective with the February 2007 expenditure report, agencies will be required to submit this information on the LEAD Hazard Control Program Expenditure Report - Units Completed and Cleared form (CSD 950D New 1/07).

CSD is collaboratively working with Tom Barrett, Richard Heath and Associates, on the revised Lead-Based Paint Inspection and Risk Assessment Report. CSD will be sending this report to you shortly for your comments. Once the report is approved, agencies will be required to use this report for all LEAD project units. To facilitate CSD with HUD's reporting requirements and to assist you in monitoring your progress, the following reporting evaluation tools will be used:


- **Workplan and Workplan Development Worksheet:** Consists of the goals and time-phased objectives and deliverables for each of the major tasks to be undertaken by the LHC program. Benchmark standards have been developed to assist you and CSD in ensuring the LHC program is completed timely. The workplan also includes description on how units are selected to receive services, lead hazard control activities to be undertaken, matching requirements, blood testing and other measures to be taken to protect children and other occupants.

If you become aware that you will not meet your benchmarks as outlined in your work plan, please contact CSD as soon as possible. CSD's objective is to ensure that you remain on track, and appropriate technical assistance is provided timely.

- **Programmatic Reporting:** In an effort to meet reporting demands of HUD and keep CSD apprised of program activities, quarterly reports will be submitted which reflect activities undertaken, obstacles encountered, and accomplishments in each calendar quarter.
- **Monitoring and Reporting Program Performance:** CSD will assess contractor's progress on a quarterly basis by evaluating actual accomplishments to the objectives specified in the Workplan, quarterly report accomplishments/obstacles, and on-site reviews if conducted during the quarter.

We look forward to our continued partnership in providing these needed lead-based paint services. Should you have any questions, please contact me at (916) 341-4285 or via e-mail at [sgodinez@csd.ca.gov](mailto:sgodinez@csd.ca.gov) or Dorcas Reyes-Fernandez at (916) 341-4331 or via e-mail at [dreyesfe@csd.ca.gov](mailto:dreyesfe@csd.ca.gov)

Sincerely,



SUKIE GODINEZ, Manager  
Lead Hazard Control Program

Enclosure

(shared/lead/roundX1/contract/2007contract/coverltr1-07drf)

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

700 North 10th Street, Room 258  
Sacramento, CA 95814  
(916) 341-4200  
(916) 341-4203 (FAX)  
(916) 327-6318 (TDD)



January 25, 2007

To All Lead Hazard Control Services Contractors:

2007 Lead Hazard Control Services Contract

Enclosed is your agency's contract packet for 2007 Lead Hazard Control Services. It includes a table of contents and two complete copies of the contract (face sheet, exhibits, and attachments). The programmatic forms and the bimonthly reporting forms will be available on the CSD Contractors Only website shortly.

In order to expedite the execution of your contract packet, please observe the following instructions, and feel free to use this letter as a checklist.

- ☐ Submit a governing board resolution with an **original signature of your board's authorized representative**. The board's resolution must identify whom it has authorized to sign the 2007 Lead Hazard Control Services contract and any amendments.
- ☐ Complete the section labeled "CONTRACTOR'S NAME" on both face sheets. Print or type the name and title of the person who is authorized to sign the contract. Print the date signed. Ensure that **your agency's authorized representative has signed both face sheets**. Your agency's authorized representative is the person whom the governing board has specified in its resolution as the official representative to sign the 2007 Lead Hazard Control Services contract and, if applicable, any amendments.
- ☐ The following exhibits are part of the contract packet. Please complete as applicable, and return both copies with the contract packet. Note: CSD has entered certain numbers on Attachments I and II to Exhibits B and F, as referenced below. **Do not alter these numbers.**

EXHIBIT A SCOPE OF WORK

EXHIBIT B BUDGET DETAIL AND PAYMENT PROVISIONS

- ATTACHMENT I, 2006-2009 LEAD HAZARD CONTROL PROGRAM BUDGET
- ATTACHMENT II, LEAD HAZARD CONTROL DOCUMENT CHECKLIST

EXHIBIT C GENERAL TERMS AND CONDITIONS

EXHIBIT D SPECIAL TERMS AND CONDITIONS

EXHIBIT E ADDITIONAL PROVISIONS

EXHIBIT F PROGRAMMATIC PROVISIONS

- ATTACHMENT I, WORK PLAN
- ATTACHMENT II, BENCHMARK STANDARDS WORKSHEET

EXHIBIT G DEFINITIONS

EXHIBIT H CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, STD. LLL.

- ☐ Please return two complete copies of the contract packet to CSD, and arrange all pages--including the face sheets, exhibits, and all attachments--in the same order in which you received them. Include your board resolution, and, if desired, a transmittal letter, but please do not staple or otherwise attach these documents to the contracts themselves. If the insurance and fidelity bond documents you submitted another agreement with CSD are still in effect, you do not need to resubmit them. When the contract is fully executed, Contract Services Unit will mail you one of the copies for your records.
- ☐ Please return your completed contract packet within 30 days (45 days for public agencies) to:

Contract Services Unit  
Department of Community Services and Development  
700 North 10th Street, Room 258  
Sacramento, CA 95814

Please keep in mind that in order for CSD to execute your contract, all of your agency's contract documents must be **complete**. Authorized persons must sign the board resolution and both face sheets. Except as waived for self-insured governmental entities, the Certificate of Liability Insurance must name CSD as the Certificate Holder and as an additional insured, except for workers' compensation and fidelity bond. Insurance documents that are on file at CSD must provide proof of current coverage, or you must replace them. Coverage must include pollution liability, workers' compensation insurance, fidelity bond, public liability, and vehicle insurance.

If you have questions regarding this contract process, you may contact Donna Fairchild of my staff at (916) 341-4275. For questions regarding insurance coverage, please contact Suelene Choy of my staff at (916) 341-4265. For questions regarding contractual requirements, programmatic or reporting forms, or any other requirements, please contact Sukie Godinez at (916) 341-4285 or Dorcas Reyes-Fernandez at (916) 341-4331.

Sincerely,



Fernando Negrete  
Manager, Contract Services Unit

FN:DGF  
Enclosures

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT  
2007 LEAD HAZARD CONTROL SERVICES CONTRACT  
TABLE OF CONTENTS**

	<u>Page</u>
<b>EXHIBIT A, <u>SCOPE OF WORK</u> (CSD)</b>	
1. <u>SCOPE OF WORK</u> .....	A1
2. <u>SERVICE AREA</u> .....	A1
3. <u>ADDRESS FOR THE STATE</u> .....	A1
<b>EXHIBIT B, <u>BUDGET DETAIL AND PAYMENT PROVISIONS</u> (CSD)</b>	
1. <u>CONSIDERATION</u> .....	B1
2. <u>MATCHING CONTRIBUTION</u> .....	B1
3. <u>FISCAL PROVISIONS</u> .....	B2
4. <u>FISCAL REPORTING</u> .....	B5
5. <u>ALLOWABLE COSTS</u> .....	B6
6. <u>PROGRAM INCOME</u> .....	B7
7. <u>PROVISIONS FOR FEDERALLY FUNDED GRANTS</u> .....	B7
8. <u>BUDGET CONTINGENCY CLAUSE</u> .....	B7
9. <u>ATTACHMENTS</u>	
• ATTACHMENT I, 2006-2009 LEAD HAZARD CONTROL PROGRAM BUDGET (CSD 951)	
• ATTACHMENT II, LEAD HAZARD CONTROL DOCUMENT CHECKLIST (CSD 900)	
<b>EXHIBIT C, <u>GENERAL TERMS AND CONDITIONS</u> (GTC – 306) (State) .....</b>	<b>C1</b>
<b>EXHIBIT D, <u>SPECIAL TERMS AND CONDITIONS</u> (CSD)</b>	
1. <u>TRAVEL AND PER DIEM</u> .....	D1
2. <u>CERTIFICATIONS</u> .....	D1
3. <u>AUDIT REPORTS</u> .....	D1
4. <u>CONFLICT OF INTEREST</u> .....	D2
5. <u>INSURANCE AND FIDELITY BOND</u> .....	D2
6. <u>TERMINATION AND SUSPENSION</u> .....	D5
7. <u>PROCEDURE FOR RESOLUTION OF ANY DISPUTE</u> .....	D6
8. <u>SUBCONTRACTS</u> .....	D7
9. <u>GOVERNING BOARD RESOLUITON</u> .....	D8
10. <u>CONTRACTOR LICENSING</u> .....	D9
11. <u>INTERNAL CONTROL CERTIFICATION</u> .....	D9
12. <u>CODES OF CONDUCT</u> .....	D9
13. <u>FORMS</u> .....	D10
<b>EXHIBIT E, <u>ADDITIONAL PROVISIONS</u> (Federal)</b>	
1. <u>COMPLIANCE WITH RULES AND REGULATIONS</u> .....	E1
2. <u>RECORD-KEEPING RESPONSIBILITITES</u> .....	E1

3.	<u>NONDISCRIMINATION COMPLIANCE</u> .....	E1
4.	<u>AFFIRMATIVE ACTION COMPLIANCE</u> .....	E2
5.	<u>FAIR HEARING PROCESS FOR ALLEGED VIOLATION OF THE CIVIL RIGHTS ACT AGAINST CONTRACTOR</u> .....	E2
6.	<u>CONTRACTOR ASSURANCES</u> .....	E2
7.	<u>FEDERAL CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND RELATED MATTERS</u> .....	E2
8.	<u>PRO-CHILDREN ACT OF 1994</u> .....	E3
9.	<u>AMERICAN-MADE EQUIPMENT/PRODUCTS</u> .....	E3
10.	<u>POLITICAL ACTIVITIES</u> .....	E3
11.	<u>LOBBYING ACTIVITIES</u> .....	E4
12.	<u>CONTRACTOR'S ASSURANCE REGARDING PROPERTY</u> .....	E4
13.	<u>CONFLICT OF INTEREST</u> .....	E5
14.	<u>PATENT RIGHTS (SMALL BUSINESS FIRST AND NONPROFIT ORGANIZATIONS)</u> .....	E5
15.	<u>LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OVER \$100,000)</u> .....	E5
16.	<u>CERTIFICATION PROHIBITING EXCESSIVE FORCE AGAINST NONVIOLENT CIVIL RIGHTS DEMONSTRATORS</u> .....	E6
17.	<u>LIMITATION ON USE OF FUNDS</u> .....	E6
18.	<u>PUBLICATIONS AND NEWS RELEASES</u> .....	E6
19.	<u>SUBJECT INVENTION</u> .....	E7
20.	<u>PROCUREMENT</u> .....	E8
21.	<u>CERTIFICATION REGARDING PARTIES EXCLUDED FROM FEDERAL PROCUREMENT AND NONPROCUREMENT PROGRAMS</u> .....	E10

**EXHIBIT F, PROGRAMMATIC PROVISIONS** (Federal and CSD)

1.	<u>INDEMNIFICATION</u> .....	F1
2.	<u>EQUITABLE TREATMENT</u> .....	F1
3.	<u>RECORD-KEEPING RESPONSIBILITIES</u> .....	F1
4.	<u>RIGHT TO MONITOR, AUDIT, INSPECT, AND INVESTIGATE</u> .....	F2
5.	<u>TRAINING AND CERTIFICATION</u> .....	F2
6.	<u>ENVIRONMENTAL LAWS AND MITIGATION ACTIVITIES</u> .....	F2
7.	<u>USE OF FUNDS</u> .....	F3
8.	<u>CONFORMANCE TO LAWS, REGULATIONS, AND GUIDELINES</u> .....	F3
9.	<u>ELIGIBILITY</u> .....	F3
10.	<u>INCOME VERIFICATION</u> .....	F4
11.	<u>SERVICE PRIORITY</u> .....	F5
12.	<u>OTHER REQUIREMENTS</u> .....	F5
13.	<u>SCOPE OF SERVICES</u> .....	F5
14.	<u>PROGRAMMATIC REPORTING REQUIREMENTS</u> .....	F5
15.	<u>MONITORING AND REPORTING PROGRAM PERFORMANCE</u> .....	F6
16.	<u>SPECIAL CONDITIONS FOR "HIGH-RISK" CONTRACTORS</u> .....	F7
17.	<u>FORMS</u> .....	F7

18.	<u>ATTACHMENTS</u> .....	F8
	• ATTACHMENT I, WORK PLAN	
	• ATTACHMENT II, BENCHMARK STANDARDS WORKSHEET	
	<b>EXHIBIT G – DEFINITIONS</b> (Federal and CSD).....	G1
	<b>EXHIBIT H - CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, STD. FORM LLL</b> (Federal).....	H1

AGREEMENT NUMBER <b>07L-xxxx</b>	AMENDMENT NUMBER
-------------------------------------	------------------

1. This Agreement is entered into between the State Agency and the Contractor named below
- STATE AGENCY'S NAME  
**Department of Community Services and Development**
- CONTRACTOR'S NAME  
**SAMPLE**
2. The term of this February 1, 2007 through April 30, 2009 Agreement is:
3. The maximum amount \$ SAMPLE of this Agreement is:
4. The parties agree to comply with the terms and conditions of the following exhibits that are by this reference made a part of the Agreement:

- Exhibit A - Scope of Work  
Exhibit B - Budget Detail and Payment Provisions  
Exhibit C - General Terms and Conditions (GTC 306)  
Exhibit D - Special Terms and Conditions  
Exhibit E - Additional Provisions  
Exhibit F - Programmatic Provisions  
Exhibit G - Definitions  
Exhibit H - Certification Regarding Lobbying/Disclosure of Lobbying Activities

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)		
BY (Authorized Signature) SAMPLE - Not for execution.	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
STATE OF CALIFORNIA		
AGENCY NAME Department of Community Services and Development		
BY (Authorized Signature) SAMPLE - Not for execution.	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Richard J. Bueche, Chief Financial Officer		
ADDRESS 700 North 10th Street, Sacramento, California 95814		
		<input type="checkbox"/> Exempt per _____



**EXHIBIT A**  
**(Standard Agreement)**

**SCOPE OF WORK**

1. Contractor agrees to provide Lead Hazard Control (LHC) Services to selected housing units pursuant to Title X, Residential Lead-Based Paint Hazard Reduction Act of 1992, and through funds allocated from Grant CALHB0318-06 as received from the U.S. Department of Housing and Urban Development (HUD) and awarded to the Department of Community Services and Development (State or CSD). The Catalog of Federal Domestic Assistance number is 14.900.
2. The services shall be performed in the following service area:  
  
\_\_\_\_\_ County.
3. Send all correspondence and fiscal and programmatic reports to:

State Agency:	Department of Community Services and Development
Section/Unit:	Lead Hazard Control
Contact Person:	Dorcas Reyes-Fernandez
Address:	700 North 10 <sup>th</sup> Street, Room 258 Sacramento, CA 95814
Phone:	(916) 341-4331
Fax:	(916) 341-4331

**EXHIBIT B**  
**(Standard Agreement)**

**BUDGET DETAIL AND PAYMENT PROVISIONS**

1. **CONSIDERATION**

- A. Contractor shall not exceed total amounts budgeted for Administrative, Program Support, Direct Hazard Control, and Additional Services (if applicable) cost categories as described in EXHIBIT B, Attachment I, Lead Hazard Control Program (LHCP) Budget. In the event Contractor incurs cost in excess of these amounts, the excess shall be borne entirely by Contractor. Amounts may be modified, however, according to EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, 3. FISCAL PROVISIONS, B. Subsequent Payments, item 4) below.
- B. CSD maintains discretion to increase or decrease the amount of Consideration based on the Contractor's performance under this Agreement.

2. **MATCHING CONTRIBUTION**

- A. Contractor agrees to bear without reimbursement by CSD a matching contribution of at least 24 percent of the Total Consideration as indicated on EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment I, Lead Hazard Control Budget, Rev. 1/07, that is specifically dedicated to supporting and remediating lead-hazard activities under the LHCP and consisting of two parts:
  - 1) Part 1 – At a minimum, twelve percent must be from nonfederal sources such as State, local, charitable, nonprofit or for-profit entities, in-kind contributions, private donations, Petroleum Violation Escrow Account (PVEA), and owner contributions. Community Development Block Grant funds are the only federal funds that may be considered part of the 12 percent matching contribution and only to the extent that they are specifically dedicated to and integrated into supporting the LHCP.
  - 2) Part 2 – At a minimum, twelve percent must be from federal resources such as the Low-Income Home Energy Assistance Program, Department of Energy Weatherization Assistance Program, Community Services Block Grant, or other federally funded programs; and State, local, charitable, nonprofit or for-profit entities, in-kind contributions, private donations, PVEA, and owner contributions.

**EXHIBIT B**  
**(Standard Agreement)**

- B. In the event the Total Consideration is increased, then the matching contribution shall increase accordingly. Contractor is not obligated to contribute more than the matching contribution.
- C. Contractor must satisfy its matching contribution obligation. If Contractor's actual matching contribution is less than indicated above, CSD reserves the right to negotiate a new matching contribution amounts to satisfy Contractor's match requirement or to reduce the amount of Consideration. Contractor shall notify CSD at any time it believes it will not meet its matching contribution by the completion of this Agreement.
- D. Contractor shall adhere to the matching or cost sharing principles in accordance with CFR 24, Part 84.23/85.24 as applicable.

3. FISCAL PROVISIONS

A. Payments

- 1) Payments to Contractor are contingent upon receipt and approval by CSD of the monthly expenditure reports, as required under EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, 3. FISCAL PROVISIONS, B. SUBSEQUENT PAYMENTS, item 5) of this Agreement. If Contractor owes CSD any outstanding balances for overpayments of any Agreement, current or previous, the balance may be offset, based on arrangements made with the Contractor.
- 2) CSD will not make subsequent payments from this Agreement to Contractor until it retains qualified subcontractors and workers that are certified by the State Department of Health Services to work on lead hazard control project activities according to Title 17, California Code of Regulations, Division 1, Chapter 8 (possessing certification as lead inspector/assessor, lead supervisor, and lead worker).
- 3) CSD shall issue payments to Contractor on an actual cost reimbursement basis. Contractor may request CSD to modify line item amounts allocated within Direct Hazard Control Program as specified in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment I, Lead Hazard Control Program Budget, except for the amount allocated toward the EBL (elevated blood level) reserve, unless request is made according to EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, 3. FISCAL PROVISIONS, B. SUBSEQUENT PAYMENTS, item 9) below.

**EXHIBIT B**  
**(Standard Agreement)**

- 4) Contractor may request CSD to modify the total amount allocated for Administrative and Program Support Costs if it does not exceed the amount indicated in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment I, Lead Hazard Control Program Budget.
- 5) Payment for LHC activities may be requested at the following points.
  - a. Contractor may request reimbursement upon completion of Program Support activities as they occur according to EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment I, Lead Hazard Control Program Budget. If it is determined during unit assessment that no lead hazards exist and the unit will receive no further services, then Contractor must submit all applicable Phase 1 documents and Termination Notice (EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment II, LHC Document Checklist). If a screening is conducted during unit assessment, then Contractor is to provide a copy of screening results to the property owner. Reimbursement is contingent on CSD's receipt and approval of applicable Phase I documents.
  - b. Contractor may request reimbursement upon completion of Direct Hazard Control Activities specific to relocation notification, lead-based paint inspection, risk assessment, Housing Developer Pro (HDP) project work write-up and cost estimate. Contractor must submit applicable Phase II documents (EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment II, LHC Document Checklist). Reimbursement is contingent on CSD's receipt and approval of applicable Phase II documents.
  - c. Contractor may request reimbursement upon completion of Direct Hazard Control activities specific to interim controls/abatement services, relocation and upon unit achieving final clearance as conducted by an independent third-party inspector. Contractor must submit all applicable Phase III documents (EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment II, LHC Document Checklist). Reimbursement is contingent upon receipt and approval of applicable Phase III documents.
  - d. If Contractor chooses to request reimbursement for all LHC activities associated with a project upon achieving final clearance, then Contractor must submit all applicable Phase I, II, and III documents (EXHIBIT B, BUDGET DETAIL AND PAYMENT

**EXHIBIT B**  
**(Standard Agreement)**

PROVISIONS, Attachment II, LHC Document Checklist).

Reimbursement is contingent upon prior approval of all applicable Phase I and II documents, and receipt and approval of applicable Phase III documents.

- 6) Contractor shall be entitled to receive up to a maximum average of \$5,300 per dwelling unit for interim controls/abatement services.
- 7) Costs incurred for LHC services shall not exceed the amount established by Contractor in the HDP work write-up and cost estimate developed after the assessment of the dwelling unit, unless Contractor submits a change order on CSD 317 as approved by CSD. Costs that are less than 10 percent of the HDP cost estimate will not require submission of a change order.
- 8) CSD will assess the appropriateness and reasonableness of the selected specifications and costs as submitted by Contractor in the HDP work write-ups. CSD reserves the right to negotiate the HDP work write-ups and costs estimates with Contractor, if CSD determines that the specifications and costs submitted in the HDP work write-ups are inappropriate or unreasonable.
- 9) Contractor shall use the EBL reserve only in units referred by the local Childhood Lead Poisoning Prevention Program (CLPPP) in which it has been determined that the housing unit is the cause of the lead poisoned child and Contractor has exceeded the maximum average of \$5,300 for LHC services. If Contractor has not depleted the EBL reserve within 120 prior to the completion of this Contractor, then funds can be reallocated to interim controls/abatement line item within the Direct Hazard Control Cost category.

**B. Payment Guidelines**

- 1) Contractor may claim reimbursement for outreach only once when using Department of Energy Weatherization Assistance Program (DOE), Low-Income Home Energy Assistance Program (LIHEAP), and LHC program funds concurrently in the same unit.
- 2) Contractor may claim reimbursement for the separate intake and education performed under this Agreement when using DOE, LIHEAP, and LHC program funds concurrently in the same unit. Contractor may not request duplicative payment for any other activity provided in EXHIBIT F, PROGRAMMATIC PROVISIONS, 13. SCOPE OF SERVICES, from

**EXHIBIT B**  
**(Standard Agreement)**

any other source. Contractor may claim payment only for allowable activities performed under this Agreement.

- 3) If any other construction-related services, such as weatherization, home repair, or renovation services, are provided concurrently with LHC activities in the same housing unit, Contractor must ensure that separate material and labor costs incurred are determined and reported to CSD for these activities.
- 4) CSD shall reimburse Contractor for expenses incurred in training its personnel in LHC through a program that CSD has preapproved. Reimbursement for each person trained is contingent upon his/her successful completion of training and certification.
- 5) Insurance expenses associated with LHC, medical examinations of project personnel as required by worker safety guidelines, and personal protective equipment required by worker safety guidelines are reimbursable expenses under this Agreement.

4. **FISCAL REPORTING**

A. Expenditure and Direct Project Costs Reports

- 1) Contractor shall ensure that CSD receives the following reports, as applicable, on or before the fifteenth (15th) calendar day of each month, irrespective of the level of activity or amount of expenditure in the preceding month.
  - a. Lead Hazard Control Program Expenditure - Summary (CSD 950);
  - b. Expenditure Report – Program Support Costs (CSD 950B);
  - c. Expenditure Report – Direct Hazard Control Costs (CSD 950C), (Rev. 1/07);
  - d. Expenditure Report – Units Completed and Cleared (CSD 950D (New 12/06)), and
  - e. Expenditure Report – Matching Contribution (CSD 950F).
- 2) Contractor shall ensure that the Lead Hazard Control Program Expenditure - Summary (CSD 950) is submitted to CSD by entry onto the web-based, Expenditure Activity Report System.

**EXHIBIT B**  
**(Standard Agreement)**

- 3) Contractor shall record allowable costs on expenditures forms prescribed by CSD. If Contractor incurs zero expenditure during a reporting period, Contractor shall submit an expenditure report indicating zero expenses.

**B. Close-Out Reports**

- 1) CSD will close out the Agreement when it determines that all applicable administrative actions and all required work of this Agreement have been completed.
- 2) Within 90 days after the expiration or termination of the Agreement, Contractor must submit all financial, performance, and other reports required as a condition of the Agreement on the appropriate CSD forms. These may include but are not limited to the following close-out reports:
  - a. Final performance or progress report;
  - b. Financial Status Report;
  - c. Final Expenditure Report;
  - d. Program Income Report; and
  - e. Equipment and Supplies Report.
- 3) Within 90 days after receipt of the closeout reports described above, CSD will make upward or downward adjustments to the allowable costs.
- 4) Contractor must immediately refund to CSD any balance of any cash advanced that is not authorized to be retained for use on other Agreements.
- 5) The closeout of this Agreement does not affect CSD's right to disallow costs and recover funds on the basis of a later audit or other review.

**5. ALLOWABLE COSTS**

For performance of the work under this Agreement, Contractor shall be reimbursed for costs incurred (hereafter referred to as "allowable costs") that CSD determines are allowable, allocable, and reasonable in accordance with the provisions of OMB Circular A-122, "Cost Principles for Non-Profit Organizations."

**EXHIBIT B**  
**(Standard Agreement)**

6. PROGRAM INCOME

Any program income derived as a result of this Agreement shall be added to funds committed under your Agreement to further LHC activities. Prior to using program income to further the objectives of the LHC program, the parties shall mutually agree by written amendment on the use of program income. Program income received after the period of performance must be used to further the objectives of the LHC program for which this Agreement is awarded in accordance with CFR 24, Part 84.25/85.25 as applicable.

7. PROVISIONS FOR FEDERALLY FUNDED GRANTS

- A. It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of Congressional appropriation of funds, to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to CSD by the United States Government for the 2006/2009 fiscal years for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
- C. The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- D. CSD has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction of funds.

8. BUDGET CONTINGENCY CLAUSE

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CSD shall have no liability to pay any funds whatsoever to Contractor or to furnish any other Considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CSD shall have the option to either cancel this Agreement with no liability occurring to CSD, or offer an agreement amendment to Contractor to reflect the reduced amount.



**EXHIBIT B**  
**(Standard Agreement)**

9. ATTACHMENTS

- A. EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT I, 2006-2009 LEAD HAZARD CONTROL PROGRAM BUDGET, is attached to this Agreement and hereby incorporated by this reference.
- B. EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT II, LEAD HAZARD CONTROL DOCUMENT CHECKLIST, is attached to this Agreement and hereby incorporated by this reference.

**EXHIBIT B - ATTACHMENT I**  
**2007-2009 LEAD HAZARD CONTROL PROGRAM BUDGET**

Contractor: <b>SAMPLE</b>		Contract Number: <b>07L-</b>	Telephone Number:
Prepared By:	E-mail Address:		Fax Number:

**SECTION A - ADMINISTRATIVE COSTS**

1	Administrative Costs	
---	----------------------	--

**SECTION B - PROGRAM COSTS**

2	Worker Medical Exam/Blood Testing	
3	Vehicle and Equipment	
4	Training	
5	Outreach	
6	Intake	
7	Client education	
8	Unit Assessment	
9	Client Blood Testing	
10	SHPO	
11	Other (Specify):	
12	<b>Total Program Costs</b>	

**SECTION C - DIRECT HAZARD CONTROL COSTS**

13	Inspections	
14	HDP Project Design	
15	Relocation	
16	Interim Controls/Abatement	
17	Clearances	
18	EBL Reserve	
19	<b>Total Direct Hazard Control Costs</b>	

**SECTION D - ADDITIONAL SERVICES****SECTION E - TOTAL BUDGET (Lines 1, 12, 19)****SECTION F - UNIT ACTIVITIES**

20	Projected Paint Inspections/Risk Assessments	
21	Projected Units Completed and Cleared	

**EXHIBIT B-ATTACHMENT II LEAD HAZARD CONTROL DOCUMENT CHECKLIST**

Project No. \_\_\_\_\_ Address \_\_\_\_\_

<b>PHASE I</b>		<b>UNIT ENROLLMENT</b>
	R	CSD 43 - Energy Intake Form (Rev. 1/07)
	R	CSD 904 - Project Enrollment (Rev. 10/05)
	R	CSD 321 - Lead-Safe Education Confirmation of Receipt
	R	MRER - Minor Rehabilitation Environmental Review
	R	Refusal of Blood Lead Testing OR Release of Medical Information
	R	SHPO recommendation by Contractor and/or hired consultant
<b>PHASE II</b>		<b>DIRECT HAZARD CONTROL COSTS - RELOCATION NOTICE/INSPECTIONS</b>
		<b>A. Relocation</b>
	R	Sample Notice 1 - General Information for Residential Tenant That Will Not Be Displaced
	R	Sample Notice 2 - Notice of Nondisplacement for Residential Tenant
	I/A	Waiver of Rights to Permanent Relocation Benefits (IF NEEDED)
		<b>B. Inspection</b>
	R	CSD 912 - Project Field Sketch
	R	CSD 915 - Environmental Sample Collection Sheet
	R	CSD 916 - Lead-Based Paint Risk Assessment Report (Rev. 1/07)
	R	DHS 8552 - Lead Hazard Evaluation Report
		<b>C. Lead Hazard Abatement Forms</b>
	R	CSD 907 - Tenant's Authorization to Perform Lead Hazard Reduction Services
	R	HDP Spec Titles by Location/Trade - Work Write Up & HDP Cost Estimate
	R	CSD 908 - Lead Hazard Control Program Estimated Interim Control Cost Agreement (Rev. 10/05)
<b>PHASE III</b>		<b>DIRECT HAZARD CONTROL COSTS - INTERIM CONTROLS/ABATEMENT SERVICES</b>
	R	DHS 8551 - Abatement of Lead Hazards Notification
	R	DHS 8552- Risk Assessment Evaluation Report
	R	CSD 917 - Lead-Based Paint Clearance Report
	I/A	CSD 317 - Contract Change Order
<b>Other</b>		<b>LHC WORK/CLEARANCES</b>
	I/A	CSD 952 - Notice of Termination
<b>PHASE IV</b>		<b>FISCAL REPORTING</b>
		<b>D. Expenditures Forms</b>
	R	CSD 950 - Expenditure Report - Summary
	R	CSD 950B - Expenditure Report - Program Support (Rev. 1/07)
	R	CSD 950C - Expenditure Report - Direct Hazard Control Costs
	R	CSD 950D - Expenditure Report - Units Completed and Cleared (New. 1/07)
	R	CSD 950F - Expenditure Report - Matching Contribution
		Note: All expenditure reports are due to CSD by the 15th of each month irrespective of the level of activity.

R = Required  
I/A = If Applicable

**EXHIBIT C**  
**(Standard Agreement)**

**GENERAL TERMS AND CONDITIONS (GTC - 306)**

PLEASE NOTE: This page will not be included with the final agreement. The General Terms and Conditions will be included in the Agreement by reference to Internet site: [www.csd.ca.gov](http://www.csd.ca.gov).

**EXHIBIT D**  
**(Standard Agreement)**

**SPECIAL TERMS AND CONDITIONS**

1. **TRAVEL AND PER DIEM**

Contractor's programmatic-related travel costs and per-diem reimbursement rates shall not exceed the amounts established by the State Department of Personnel Administration Rules and Regulations, Section 599.619, dated July 1, 1997 and 599.631, dated October 1, 2001, and as amended from time to time.

2. **CERTIFICATIONS**

Contractors' signature affixed hereon shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:

- A. Statement of Compliance Contract Certification Clauses 10/05 (CCC-1005);
- B. Drug-Free Workplace Requirements (CCC-1005);
- C. National Labor Relations Board Certification (CCC-1005);
- D. Expatriate Corporations (CCC-1005);
- E. Domestic Partners (CCC-1005);
- F. Conflict of Interest (CCC-1005);
- G. Americans with Disabilities Act (CCC-1005);
- H. Contractor Name Change (CCC-1005);
- I. Resolution (CCC-1005);
- J. Air or Water Pollution Violation (CCC-1005); and
- K. Information Integrity and Security (Department of Finance, Budget Letter 04-35).

3. **AUDIT REPORTS**

- A. Funds provided under this Agreement shall be included in a single audit of the recipient agency. This audit shall be conducted in accordance with OMB Circular A-133 ("Audits of States, Local Governments, and Non-Profit Organizations").

**EXHIBIT D**  
**(Standard Agreement)**

- B. Audited financial statements shall be prepared in accordance with generally accepted accounting principles promulgated by the American Institute of Certified Public Accountants; those audit standards set forth in the publication, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions," issued by the General Accounting Office as they apply to financial and compliance audits; and any other applicable state and federal guidelines. Additionally, the report shall show receipt and expenditure of the State's funds separately by contract.
- C. Contractor shall submit to CSD two (2) copies of the required audit report within ninety (90) days of the expiration of Contractor's fiscal year. Upon written request by Contractor, CSD may grant an extension of time for submittal of audit report.
- D. Where services or funds under this Agreement are provided to, for, or by a wholly owned or -controlled subsidiary of Contractor, Contractor hereby provides assurances that an audit shall be performed of this subsidiary organization in accordance with EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 2, AUDIT REPORTS. The required audit report will be made available to the State upon request.

4. CONFLICT OF INTEREST

- A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.
- B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose that could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

5. INSURANCE AND FIDELITY BOND

A. General Requirements

1) Third-Party Insurance

- a. By execution of this Agreement, Contractor agrees that the below-required insurance policies and bond shall be in effect at all times during the term of this Agreement.

**EXHIBIT D**  
**(Standard Agreement)**

- b. Contractor shall provide the State with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement.
- c. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide, at least 30 calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.
- d. New Certificates of Insurance are subject to review for content and form by CSD.
- e. In the event Contractor fails to keep in effect at all times the specified insurance and bond coverage as herein provided, the State may, in addition to any other remedies it may have, suspend this Agreement.
- f. With the exception of workers' compensation and fidelity bond, the State shall be named as additional insured on all certificates of insurance required under this Agreement.
- g. The issuance of other CSD contracts, to include reimbursement payments, to the Contractor may be contingent upon required current insurance coverage being on file at CSD for this Agreement.

2) Self-Insurance

- a. When Contractor is a self-insured governmental entity, the State, upon satisfactory proof, may waive the appropriate insurance requirements upon written certification. An appropriate county or city risk manager shall sign this certification that shall contain assurance of the adequacy of the governmental entity's ability to cover any potential losses under this Agreement.
- b. Contractor shall specify in writing a list of which coverage(s) will be self-insured under this Agreement and shall list all applicable policy numbers, expiration dates, and coverage amounts.

**EXHIBIT D**  
**(Standard Agreement)**

- c. Should Contractor utilize a subcontractor(s) to provide services under this Agreement, Contractor shall indemnify and hold the State harmless against any liability incurred by that subcontractor(s).
- B. Workers' Compensation Insurance
  - 1) Contractor shall have and maintain for the term of this Agreement workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.
  - 2) Contractor shall submit either an applicable Certificate of Insurance (ACORD 25) or a Certificate of Consent to Self-Insure issued by the Director of the Department of Industrial Relations to the State as evidence of compliance with the workers' compensation insurance requirement prior to issuance of an initial cash advance.
- C. Fidelity Bond
  - 1) Contractor shall maintain a fidelity bond in the minimum amount of four percent of the total amount of consideration set forth under this Agreement.
  - 2) Contractor shall submit an applicable Certificate of Insurance (ACORD 25) to the State as evidence of compliance with the fidelity bond requirement prior to issuance of an initial cash advance.
- D. General Liability Insurance
  - 1) Contractor shall have and maintain for the term of this Agreement general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.
  - 2) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), naming CSD as an additional insured, to the State as evidence of compliance with general liability insurance requirements prior to issuance of an initial cash advance.
- E. Vehicle Insurance
  - 1) Contractor shall have and maintain for the term of this Agreement vehicle insurance in the amount of \$500,000 for each person and each accident for bodily injury and in the amount of \$500,000 for each person and each accident for property damage.



**EXHIBIT D**  
**(Standard Agreement)**

- 2) When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement nonowned and hired-auto liability insurance in the amount of \$500,000 for each person and each accident for bodily injury and \$500,000 for each person and each accident for property damage. (Driving to and from work is not within the scope of employment.)
- 3) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to the State as evidence of compliance with said vehicle insurance requirements prior to issuance of an initial cash advance.

F. Lead Hazard Control Specific Insurance: Pollution Liability

- 1) Contractor shall maintain Pollution Liability covering the Contractor's liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising out of the work or services to be performed under this Agreement. Coverage shall be provided for both work performed on site as well as during the transport of hazardous materials. Limits of not less than \$1,000,000 shall be provided.
- 2) The policy must include the State of California, its officers, agents, employees and servants as additional insureds but only insofar as the operations under the Contract are concerned.

G. Professional Liability

Contractor shall maintain Professional Liability covering any damages caused by an error, omission, or any negligent acts. Limits of not less than \$1,000,000 shall be provided.

6. TERMINATION AND SUSPENSION

A. Termination

- 1) Either party may terminate this Agreement at any time prior to its date of expiration upon 30-calendar day's notice to the other party. Such notice shall be delivered to the other party in writing, stating the reason for termination and the effective date thereof.
- 2) Upon termination of this Agreement, the State, unless expressly granted in writing, shall not pay Contractor for any obligations incurred after the

**EXHIBIT D**  
**(Standard Agreement)**

effective date of such termination. Contractor shall be paid for work performed prior to termination, as long as the work was performed according to the covenants contained herein at the time and in the manner provided herein.

**B. Suspension**

- 1) The State may, upon reasonable written notice to Contractor, suspend this Agreement in whole or in part. In the case of Contractor's fraud or gross negligence, suspension without prior notice by the State is permissible.
- 2) If Contractor has failed to comply with the material terms of this Agreement, the State shall:
  - a. Notify the Contractor in writing by certified mail or personal service;
  - b. Specify the effective date of the suspension;
  - c. Specify the reason for the suspension and what corrective action is expected;
  - d. Give a specified period of time in which to take correction action; and
  - e. Inform the Contractor that if the corrective action is not taken within the specified time frame, the State will terminate this Agreement.
- 3) A suspension shall remain in effect until Contractor has taken corrective action satisfactory to the State.
- 4) New obligations, including costs for goods, services, or related expenses, incurred by Contractor under this Agreement during the suspension period will not be allowed unless expressly authorized by the State in the notice of suspension.

**7. PROCEDURE FOR RESOLUTION OF ANY DISPUTE**

- A. Contractor shall continue with the responsibilities under this Agreement during any dispute.

**EXHIBIT D**  
**(Standard Agreement)**

- B. Unless otherwise provided in this Agreement, any dispute concerning a question of fact arising under this Agreement that cannot be resolved informally between Contractor and the State shall be decided by the following two-step procedure.
- 1) Contractor must provide written notice of the particulars of such dispute to the program manager or his/her duly appointed representative. The program manager must respond in writing within ten (10) working days of receiving the written notice of dispute. Should Contractor disagree with the program manager's decision, Contractor may appeal to the second level. Pending decision on appeal, Contractor shall proceed diligently with the performance of this Agreement in accordance with the program manager's decision.
  - 2) The second-level appeal must indicate why the program manager's decision is unacceptable, attaching to it Contractor's original statement of the dispute with supporting documents along with a copy of the program manager's response. This letter shall be sent to the Deputy Director for Programs. The second level appeal must be filed within fifteen (15) working days of receipt of the program manager's decision. Failure to submit such an appeal within the period specified shall constitute a waiver of any and all such rights to adjustment of this Agreement. The Deputy Director or designee shall meet with Contractor to review the issues raised. A written decision signed by the Deputy Director or designee shall be returned to Contractor within fifteen (15) working days of receipt of the appeal.

8. SUBCONTRACTS

- A. Contractor may enter into subcontract(s) to perform the provisions of this Agreement. Prior to the commencement of subcontracted services under this Agreement, Contractor shall obtain board approval, to include but not be limited to, an assurance that the subcontractor agreement(s) shall comply with all terms, conditions, assurances, and certifications of this Agreement for the nonprofit and local governmental agencies performing services in the area(s) described in EXHIBIT A, SCOPE OF WORK, Section 2.
- B. Contractor shall provide written notification to the State within 60 calendar days of execution of each subcontractor agreement the name of the subcontractor entity, its address, telephone number, contact person, contract amount, and program description of each subcontractor activity to be performed under this Agreement.

**EXHIBIT D**  
**(Standard Agreement)**

- C. Contractor shall immediately notify all of its subcontractor(s) in writing within five days of such action in the event the State suspends, terminates, and/or makes changes to the services to be performed under this Agreement.
- D. Contractor is the responsible party and shall remain liable for the performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse to the State, regarding the settlement and satisfaction of all contractual and administrative issues arising out of subcontract agreement(s) entered into in support of this Agreement, including disputes, claims, or other matters of a contractual nature as well as civil liability arising out of negligence or intentional misconduct of the subcontract(s).
- E. Nothing contained in this Agreement or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

9. GOVERNING BOARD RESOLUTION

Contractor assures that its governing body has adopted and passed a resolution specific to this Agreement, which shall be forwarded to the State and which includes, at minimum, the following provisions:

- A. Authorization for the submittal to the State of this Agreement, including all exhibits and assurances contained herein;
- B. The name and signature of the chairperson of the board; the date signed by the chairperson; and, if applicable, the date the resolution was ratified by the board of directors;
- C. Identification of the contract number and program;
- D. Authorization to and identification of the person/position certified as the official representative of the governing board to sign and enter into this Agreement and any subsequent amendments; and
- E. A statement that stipulates whether the governing board wishes to delegate authority for: (1) amendments that alter the maximum amount of the Agreement

**EXHIBIT D**  
**(Standard Agreement)**

and/or the term of this Agreement; and/or (2) modifications to EXHIBIT A, SCOPE OF WORK (including the service area) and/or to EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachment I, Lead Hazard Control Program Budget.

10. CONTRACTOR LICENSING

Contractors that are nonprofit organizations and are performing weatherization activities in conjunction with LHC activities under this Agreement certify that they possess and will continue to have an active Class "B" General Building Contractor license, issued in the agency's name/qualifying individual by the Contractors' State License Board (CSLB). Contractor shall notify CSD when any changes in licensing occur.

11. INTERNAL CONTROL CERTIFICATION

Contractor shall ensure the establishment and maintenance of a system of internal accounting and administrative control. This responsibility includes documenting the system, communicating system requirements to employees, and assuring that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions. The system of internal accounting and administrative control shall include:

- A. Segregation of duties appropriate to safeguard state assets;
- B. Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;
- C. Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;
- D. Established practices to be followed in performance of duties and functions;
- E. Personnel of a quality commensurate with their responsibilities; and
- F. Effective internal reviews.

12. CODES OF CONDUCT

- A. Contractor shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts or subcontracts. No employee, officer, or agent of the Contractor shall participate in the selection, award, or administration of a subcontract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ

**EXHIBIT D**  
**(Standard Agreement)**

any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Contractor shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors or parties to subagreements. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.

- B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in Office of Management and Budget Circular A-110, section 42.

13. FORMS

CSD shall provide masters of the LHC forms for electronic bimonthly reporting and activity on CSD's website at <http://www.csd.ca.gov>, and Contractor shall duplicate them for future use. CSD must approve any Contractor equivalent forms.

**EXHIBIT E**  
**(Standard Agreement)**

**ADDITIONAL PROVISIONS**

1. **COMPLIANCE WITH RULES AND REGULATIONS**

Contractor shall conduct activities with respect to this Agreement in accordance with pertinent federal and state rules and regulations, including relevant Office of Management and Budget (OMB) Circulars and ongoing amendments thereto and State rules and regulations, including those pertaining to applicable licenses as required by the Contractors' State License Board.

2. **RECORD-KEEPING RESPONSIBILITIES**

Contractor shall maintain all records in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-102, Subpart C, ("Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments") or OMB Circular A-110, Attachment C, ("Grants and Agreements with Institutions or Higher Education, Hospitals, and Other Nonprofit Organizations"), whichever is applicable.

3. **NONDISCRIMINATION COMPLIANCE**

A. Contractor hereby certifies compliance with the following:

- 1) Federal Executive Order 11246, as amended by Executive Order 11375 relating to equal employment opportunity.
- 2) Title VI and Title VII of the Civil Rights Act of 1964, as amended.
- 3) Rehabilitation Act of 1973, as amended.
- 4) Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.
- 5) Title 41, Code of Federal Regulations, Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.
- 6) Public Law 101-336, Americans with Disabilities Act of 1990.

B. Contractor agrees to abide with and shall include the nondiscrimination and compliance provisions of the above clauses in all subcontracts to perform work under this Agreement.

**EXHIBIT E**  
**(Standard Agreement)**

4. AFFIRMATIVE ACTION COMPLIANCE

- A. Each Contractor or Subcontractor who has fifty (50) or more employees and has an agreement of fifty thousand dollars (\$50,000) or more shall be required to develop a written Affirmative Action Compliance Program.
- B. The written program is to follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.1 0 through 60-2.32, Sections 60-250.1 through 60-250.33, and Sections 60-741.4 through 60-741.32.
- C. Each Contractor or subcontractor with less than fifty (50) employees shall comply with Section 202 of Part 11 of Executive Order 11246, as amended by Executive Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

5. FAIR HEARING PROCESS FOR ALLEGED VIOLATION OF THE CIVIL RIGHTS ACT AGAINST CONTRACTOR

In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, Contractor has the right to request a fair hearing in response to such violation or alleged violation within thirty (30) calendar days from the date of such action.

6. CONTRACTOR ASSURANCES

Contractor assures that it shall be in compliance with Federal and State Occupational Safety and Health statutes, the California Safe Drinking Water, and the Toxic Enforcement Act of 1986.

7. FEDERAL CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND RELATED MATTERS

Contractor hereby certifies to the best of its knowledge that it or any of its officers:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- B. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement,



**EXHIBIT E**  
**(Standard Agreement)**

theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph B.) above of this certification; and
- D. Have not within a three-year period preceding this Agreement had one or more public (federal, state, or local) transactions terminated for cause or default.

8. PRO-CHILDREN ACT OF 1994

- A. Contractor must comply with Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through state and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.
- B. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

9. AMERICAN-MADE EQUIPMENT/PRODUCTS

Contractor shall assure, pursuant to Public Law 103-333, Section 507, to the extent practicable, that all equipment and products purchased with funds made available under this Agreement shall be American made.

10. POLITICAL ACTIVITIES

- A. Contractor shall refrain from all political activities if such activities involve the use of any funds that are the subject of this Agreement or any other funds, programs, projects, or activities that flow from this Agreement.
- B. Contractor is prohibited from any activity that is designed to provide voters or prospective voters with transportation to the polls or to provide similar assistance in connection with an election if such activities involve the use of any funds that are subject to this Agreement.

**EXHIBIT E**  
**(Standard Agreement)**

11. LOBBYING ACTIVITIES

- A. Contractor shall refrain from all lobbying activities if such activities involve the use of any funds that are the subject of this Agreement or any other funds, programs, projects, or activities that flow from this Agreement.
- B. If Contractor has made or has agreed to make any lobbying payment using nonappropriated funds, it must file a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," Exhibit H, Certification Regarding Lobbying/Disclosure of Lobbying Activities. Contractor must file this disclosure form with CSD at the end of each calendar quarter in which lobbying occurs.

12. CONTRACTOR'S ASSURANCE REGARDING PROPERTY

- A. Contractor assures that it shall comply with the procurement principles in accordance with CFR Title 24, Housing and Urban Development, Part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Subpart C--Post-Award Requirements, sec. 85.36, Procurement.
- B. Contractor assures that it shall exercise due care in the usage, care, maintenance, protection, and preservation of State-owned property in Contractor's possession or any other property purchased by Contractor with State funds. Such care shall include, but is not limited to, the following:
  - 1) Maintaining insurance coverage against loss or damage to such property; and
  - 2) Ensuring that the legal ownership of any such equipment is in the name of the State.
- C. Contractor assures that all supplies, materials, equipment, or services purchased with funds provided by this Agreement shall be used solely for the activities allowed under this Agreement, unless a fair market value for such use is charged to the benefiting program and credited to this Agreement.
  - 1) Contractor shall obtain prior written approval from CSD for the purchase or lease of equipment with both an acquisition cost of five thousand dollar (\$5,000) and a useful life of one (1) or more years unless such intent is listed and defined on Exhibit B, Attachment I, Lead Hazard Control Program Budget, of this Agreement. Contractor, however, must obtain prior approval from CSD for the purchase or lease of vehicles and trailers in each instance, whether or not such action is included in Exhibit B. Noncompliance shall result in a disallowance of purchase/lease item(s).

**EXHIBIT E**  
**(Standard Agreement)**

- 2) Notwithstanding adherence to Office of Management and Budget requirements contained in OMB Circulars A-102, Subpart C (Grants and Cooperative Agreements with State and Local Governments) or A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations), if the purchase or lease of equipment/vehicle is not included within the budget in the execution of this Agreement, in all instances Contractor shall submit a Request for Purchase/Lease Approval, CSD 558, to CSD for approval.

13. CONFLICT OF INTEREST

- A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arise from this Agreement.
- B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

14. PATENT RIGHTS (SMALL BUSINESS FIRST AND NONPROFIT ORGANIZATIONS)

- A. Patent rights are as specified in 37 CFR Part 401 entitled "Rights to Inventions made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements."
- B. Inquiries regarding this Patent Rights clause should be in writing and directed to:

Grant Officer  
Office of Healthy Homes and Lead Hazard Control  
U.S. Department of Housing and Urban Development  
451 Seventh Street, Room P3206  
Washington, D.C. 20410-3000

15. LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OVER \$100,000)

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to

**EXHIBIT E**  
**(Standard Agreement)**

pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

16. CERTIFICATION PROHIBITING EXCESSIVE FORCE AGAINST NONVIOLENT CIVIL RIGHTS DEMONSTRATORS

This certification applies to any grant or cooperative agreement using funds appropriated under section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304).

The Contractor certifies that it has adopted and is enforcing:

- A. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- B. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

17. LIMITATION ON USE OF FUNDS

Contractor shall assure that funds received under this Agreement shall not be used for purchase or improvement of land nor for purchase, construction, or alteration of any building or other facility. Work directly associated with lead-hazard control is permitted.

18. PUBLICATIONS AND NEWS RELEASES

- A. Definition: For the purpose of this clause, "publication" includes:
  - 1) Any document containing information for public consumption; or
  - 2) The act of, or any act that may result in, disclosing information to the public.
- B. The results of this program are planned to be made available to the public through dedication, assignment by HUD, or such other means as the federal government shall determine.

**EXHIBIT E**  
**(Standard Agreement)**

C. Government Ownership of Official Products of Work

All interim and final reports and information, data analyses, special methodology, findings, and their related documents and work products, including reports, work sheets, survey instruments, computer tapes, and other physical materials and products produced directly under this Agreement are considered Official Products of Work, owned by the federal government and held for the benefit of the public.

D. Publication of Official Products of Work

Official Products of Work, quotations there from, paraphrasing, or disclosures of interim findings may not be published without the approval of both HUD and CSD for a period of 60 days after acceptance of the product by HUD. Thereafter, the grantee shall be free to publish without HUD approval.

E. Acknowledgment and Disclaimer

All Official Products of Work, or any part thereof, and any Independent Products and Special Products arising out of this Agreement, when published by Contractor, shall contain the following acknowledgement and disclaimer:

"The work that provided the basis for this publication was supported by funding under a grant with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government."

F. Notice of News Release and Public Announcements

Two copies of all press releases, formal announcements, and other planned, written issuances containing news or information concerning this grant that may be made by Contractor or its staff, or any subcontractor or other person or organization participating in the work of this Agreement shall be provided to CSD and HUD at the earliest possible time. News releases and other public announcements may not disclose any interim finding, quote, or paraphrase any part of any Official Product of Work without complying with paragraph E above.

19. SUBJECT INVENTION

Should Contractor develop an invention conceived or first actually reduced to practice in the performance of work under this Agreement (a "subject invention"), Contractor may retain the entire right, title, and interest throughout the world to each subject invention. The federal government shall have a nonexclusive, nontransferable, irrevocable, paid-up

**EXHIBIT E**  
**(Standard Agreement)**

license to practice or have practiced for or on behalf of the United States the subject invention throughout the world. Contractor will disclose each subject invention to HUD within two months after the inventor discloses it in writing to CSD. Contractor agrees to comply with all required federal procedures pertaining to subject inventions included in CSD's HUD grant.

20. PROCUREMENT

A. Contract Administration

- 1) Contractors shall administer this Agreement in accordance with all federal and state rules and regulations governing LIHEAP block grants pertaining to procurement, including Office of Management and Budget (OMB) Circulars and amendments thereto, consistent with the general OMB compliance requirement in EXHIBIT B to this Agreement. Contractors shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in OMB Circulars A-102 and A-110 and all additional provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.
- 2) Contractor shall not permit any organizational conflicts of interest or noncompetitive practices that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective subcontractor performance and eliminate unfair competitive advantage, individuals or firms that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Contractor shall award any subcontract to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to Contractor when considering price, quality, and other factors. Contractor's solicitations shall clearly set forth all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the recipient.
- 3) Contractor assures that all supplies, materials, equipment, or services purchased or leased with funds provided by this Agreement shall be used solely for the activities allowed under this Agreement, unless a fair market value for such use is charged to the benefiting program and credited to this Agreement.
- 4) In addition to adhering to all OMB requirements and the Contractor's established procedures for all procurement transactions of any amount, for each purchase, lease, or subcontract for any articles, supplies, equipment,

**EXHIBIT E**  
**(Standard Agreement)**

or services obtained from vendors or subcontractors where the per-unit cost exceeds \$5,000, three competitive quotations shall be obtained or adequate justification documented and maintained as to the absence of bidding. In cases of a bona fide emergency where awarding a subcontract is necessary for the immediate preservation of public health, welfare, or safety, documentation of the emergency will be sufficient in lieu of the three-bid process.

- 5) To ensure that significant procurement transactions are conducted in an open and freely competitive manner, Contractor shall comply with one of the following requirements at Contractor's election:
  - a. Contractor shall submit for CSD's review and approval the written procurement procedures developed pursuant to Section 3. A. 1) above. Upon receipt of the procedures, CSD will review them for substantial conformity with the OMB procurement guidelines and the three-bid requirement in Section 3. A. 4) above. Within thirty (30) days of receipt, CSD will provide either written approval of the procedures or specific recommendations for amendment of the procedures. Approval shall not be withheld unreasonably; or
  - b. Absent CSD's written approval of the procurement procedures, Contractor shall prepare and submit a Request for Purchase/Lease Pre-Approval (CSD 558) to CSD at least fifteen (15) calendar days prior to executing the subcontract for each of the following procurement transactions:
    - i. Any articles, supplies, equipment, or services having a per-unit cost in excess of \$5,000; or
    - ii. Any articles, supplies, or equipment where the total contract amount exceeds \$100,000.
- 6) Noncompliance with any of the provisions in this Section 3 shall result in a disallowance of the costs of the procurement transaction.
- 7) Contractor assures that it shall exercise due care in the use, maintenance, protection, and preservation of State-owned property in Contractor's possession or any other property or equipment procured by Contractor with State funds. Such care shall include, but is not limited to, the following:
  - a. Maintaining insurance coverage against loss or damage to such property or equipment.

**EXHIBIT E**  
**(Standard Agreement)**

- b. Ensuring that the legal ownership of any motor vehicle or trailer is in the name of the Contractor.

**B. Limitation on Use of Funds**

Contractor shall assure that funds received under this Agreement shall not be used for the purchase or improvement of land or for the purchase, construction, or permanent improvement of any building or other facility other than for lead hazard control activities.

**21. CERTIFICATION REGARDING PARTIES EXCLUDED FROM FEDERAL PROCUREMENT AND NONPROCUREMENT PROGRAMS**

By signing this agreement, Contractor certifies that before awarding any subcontract or subaward, it will ensure that the proposed subcontractor or subrecipient is not included on the U.S. General Services Administration's (GSA) "List of Parties Excluded from Federal Procurement and Nonprocurement Programs." The GSA's electronic list is known as the "Excluded Parties List (Debarred Bidders List)" and can be obtained via the Internet at the following site: <http://epls.arnet.gov>. If a proposed subcontractor or subrecipient is on the GSA's Excluded Parties List, it is ineligible for assistance and the Contractor is restricted from awarding it a subcontract or subgrant.



**EXHIBIT F**  
**(Standard Agreement)**

**PROGRAMMATIC PROVISIONS**

1. **INDEMNIFICATION**

Contractor agrees to indemnify, hold harmless, and release the State for any and all liability arising out of the presence of lead-based paint at the assisted unit or housing development at any time prior to the State's complete alienation of its interest in the property, regardless of the time of demand. The indemnitor waives the protection of Civil Code Section 1542. Liability may be established by, among other forms of demands, a demand in the form of a judgment, a settlement, or an administrative order and may include costs, fees, penalties, interest, and other costs thereto. "Any and all liability" includes, but is not limited to, liability for: (1) the clean up of lead-based paint, dust, and/or contaminated soil; (2) claims for contribution or apportionment of remedies; and (3) claims for physical or other damages to persons, property, or natural resources. The duty of Contractor to indemnify and hold harmless includes the duty to defend as set forth in Civil Code Section 2778. Contractor's duties herein arise regardless of the existence or degree of fault or negligence, whether active or passive, on the part of the State. This paragraph is in addition to any other indemnity provision of this Agreement and is not to be considered in any manner to supersede any other indemnity provision of this Agreement.

2. **EQUITABLE TREATMENT**

Contractor shall assure that owners and renters receive equitable treatment under this program.

3. **RECORD-KEEPING RESPONSIBILITIES**

- A. Contractor shall maintain a separate file for each housing unit enrolled in the LHCP. Said files shall include all forms completed pertaining to the dwelling and its inhabitants. CSD will supply masters of the forms for Contractor's use.
- B. Contractor shall maintain all records pertaining to this Agreement for a minimum period of three years after submission of the final close-out report. Contractor shall maintain, however, records until resolution of any litigation, claim, negotiation, audit, monitoring findings, or other actions are completed in accordance with 24 CFR Part 84.53/85/42 as applicable.
- C. Contractor shall maintain source documentation in such a manner that includes job references and total job hours so that actual labor hours billed to the LHC Program can be substantiated.

**EXHIBIT F**  
**(Standard Agreement)**

- D. Contractor shall make appropriate books, documents, papers, and records available to the federal government, the state, or any of their duly authorized representatives including representatives of the entity selected by CSD to perform inspections, for examination, copying, or mechanical reproduction, on or off the premises of the appropriate entity upon a reasonable request therefore.
- E. Contractor assures that employee and project participants' records shall be maintained in a confidential manner to assure compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

4. RIGHT TO MONITOR, AUDIT, INSPECT, AND INVESTIGATE

- A. The federal, state, or duly authorized representative of the State government shall have the right to undertake investigations in accordance with 42 USC 9908 et seq., as amended.
- B. Contractor is not required to accompany a CSD staff member or an independent inspector on client inspection visits, to provide transportation, or to provide equipment to CSD or the inspector unless Contractor desires to do so. CSD and the inspector, however, will permit Contractor personnel to participate in client visits.
- C. All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause permitting the State or a duly authorized representative of the state or federal government access to the working papers of said audit firm(s).

5. TRAINING AND CERTIFICATION

Contractor assures that all personnel involved in LHCP that need certification have current certifications issued by the Department of Health Services to work on Lead Hazard Control Program activities according to Title 17, California Code of Regulations, Division 1, Chapter 8 (possessing certification as lead inspector/assessor, lead supervisor, and lead worker).

6. ENVIRONMENTAL LAWS AND MITIGATION ACTIVITIES

Contractor assures that it will comply with the environmental laws and authorities at 24 CFR 50.4, and that it will:

- A. Supply information necessary for CSD to perform any required environmental review of properties; and

**EXHIBIT F**  
**(Standard Agreement)**

B. Carry out mitigation measures required by HUD or CSD.

7. USE OF FUNDS

Contractor assures that assistance provided under this Agreement shall not be used to supplant other resources designated for the LHC activities performed. For the purposes of this clause, "other resources" means resources provided from any source other than this Agreement.

8. CONFORMANCE TO LAWS, REGULATIONS, AND GUIDELINES

Contractor assures that all LHC work shall be performed in accordance with "Lead in Construction" OSHA Standard, 29 CFR 1910.1025; "Waste Disposal: 40 CFR parts 260-268" (EPA regulations); "Lead-Based Paint: Guidelines for Hazard Identification and Abatement in Public and Indian Housing" (HUD); and HUD Handbook 1378, "Tenant Assistance, Relocation and Real Property Acquisition."

9. ELIGIBILITY

LHC services shall be available only for privately owned, low- and moderate-income housing units that meet the requirements of EXHIBIT F, PROGRAMMATIC PROVISIONS, either Section 9., ELIGIBILITY, A. Rental Units, 1) or 2) below, as applicable, and 3).

A. Rental Units

- 1) At least 50 percent of the units must be occupied by or made available to families with incomes at or below 50 percent of the area median income level. The remaining units shall be occupied or made available to families with incomes at or below 80 percent of the area median income level. In all cases, the landlord shall give priority in renting units assisted under this section, for not less than three (3) years following the completion of lead abatement activities, to families with a child under the age of six (6) years, except that buildings with five (5) or more units may have 20 percent of the units occupied by families with incomes above 80 percent of the area median income level;
- 2) One or more of the units occupied by households that meet the income eligibility requirements in this Section 9, ELIGIBILITY, A. Rental Units, item 1) above, have children living in the unit who are under six (6) years in age; and
- 3) If the hazards of LHC activities in a given unit are such that the occupants' health and safety are jeopardized and temporary relocation of tenants is

**EXHIBIT F**  
**(Standard Agreement)**

required, the owner or Contractor must make available at least one housing unit to be used as temporary housing for displaced tenants. Such temporary housing must be acceptable to the displaced tenants.

**B. Principal Residence of Owner-Occupants**

All units assisted with this Agreement shall be the principal residence of families with incomes at or below 80 percent of the area median income level. Not less than 90 percent of the units assisted with grants under this section shall be occupied by a child under the age of six (6) years or shall be units where a child under the age of six (6) years spends a significant amount of time visiting.

**C. All Types of Housing**

- 1) The owner agrees to have Contractor perform the LHC activities required by the HDP work write-up/cost estimate, and agrees to owner participation in accordance with EXHIBIT F, PROGRAMMATIC PROVISIONS, Attachment I, Work Plan, Task 3;
- 2) The building is structurally sound;
- 3) The building has multiple surfaces with lead-based paint present and levels of dust lead above the clearance levels established by HUD;
- 4) If temporary relocation is necessary, the household agrees to comply;
- 5) The legal guardian(s) of any children under six (6) years who reside in the household agree(s) to allow blood lead level testing of their children or to complete a refusal of a blood lead testing form (the master of which CSD will supply to Contractor); and
- 6) The owner of the building agrees to allow a clearance inspection, consent of a visual inspection, and lead dust testing upon completion of the LHC work.

**10. INCOME VERIFICATION**

- A. Contractors that combine other sources of funding, e.g., Community Development Block Grant (CDBG), HOME Investment Partnerships Program, etc., with Lead Hazard Control Grant Funds must ensure that housing units receiving such assistance also meet the income eligibility requirements applicable to other programs.

**EXHIBIT F**  
**(Standard Agreement)**

- B. Income eligibility is based on the household's current annual income (12 months). For acceptable types of documentation and methods for determining annual income, refer to HUD Policy Guidance Number 2005-01.
- C. The provision of LHC services shall begin within six months of eligibility certification or the household shall be recertified.
- D. Contractor shall maintain adequate documentation of household income in the individual project file.

11. SERVICE PRIORITY

- A. Priority shall be given to pre-1978 privately owned residential housing units containing deteriorated painted surfaces occupied by low- to moderate-income families with at least one child under the age of six (6) residing in the unit or where a child spends a significant amount of time visiting.
- B. Priority shall be given to families with children who have elevated blood lead levels as defined by the California Department of Health Services.

12. OTHER REQUIREMENTS

- A. Contractor agrees to cooperate with any federally sponsored or endorsed monitoring or evaluation efforts done in conjunction with the Contractor's lead hazard control activities under this program. This includes collecting data on the relative cost and effectiveness of hazard control methods and providing documentation of all testing, inspection, and hazard control actions.
- B. Contractor agrees to participate and assist CSD in training, research, advisory, and/or programmatic activities required by CSD as part of this LHC project.

13. SCOPE OF SERVICES

Contractor shall perform LHC activities in accordance with the attached EXHIBIT F, PROGRAMMATIC PROVISIONS, ATTACHMENT I, WORK PLAN.

14. PROGRAMMATIC REPORTING REQUIREMENTS

- A. Contractor shall submit to CSD the LHCP Quarterly Progress Report (CSD 960) no later than December 15, April 15, July 15, and October 15 for each respective quarter following execution of this Agreement through project closeout. Quarterly Progress Reports must reflect activities undertaken, obstacles encountered, and accomplishments in each calendar quarter. Contracts, training materials and protocols, rosters of persons trained, outreach and education

**EXHIBIT F**  
**(Standard Agreement)**

materials prepared, and other significant products developed to implement, analyze or control the project or disseminate information are to be submitted with the quarterly report as attachments.

- B. Failure to submit timely quarterly progress reports will result in a delay in expenditure payments processed and/or approved for payment until such time as the quarterly report is submitted to CSD.
- C. HUD Form 60002, Economic Opportunities for Low and Very Low-Income Persons (Section 3) report must be completed and provided to CSD by January 1 yearly.

15. MONITORING AND REPORTING PROGRAM PERFORMANCE

- A. CSD shall provide Contractor with quarterly performance reports that will contain a comparison of actual accomplishments to the objectives established for the period as specified in EXHIBIT F, PROGRAMMATIC PROVISIONS, ATTACHMENT I, WORK PLAN, and ATTACHMENT II, BENCHMARK STANDARDS WORKSHEET.
- B. CSD will periodically conduct onsite visits to ensure compliance with programmatic provisions of this Agreement. Contractor will be advised of issues of noncompliance and will receive appropriate technical assistance or be required to develop a corrective action plan to resolve the issue.
- C. CSD or its subcontractor shall conduct field inspections to ensure that Lead Hazard Control activities were conducted with regard to the HUD Guidelines, Title 17, California Code of Regulations, Division 1, Chapter 8; CSD HDP project design, CSD's LHCP Policies & Procedures; local building codes; Cal/OSHA Lead in Construction Standard; Title 8, Section 1532.1; the Toxic Substance Control Act; the pre-Renovation Lead Information Rule; and any other pertinent lead-related regulations. Contractor will be advised of issues of noncompliance and will receive appropriate technical assistance or be required to develop a corrective action plan to resolve the issue.
- D. Events may occur between the scheduled performance reporting dates that have a significant impact upon the Agreement. In such cases, Contractor must inform CSD as soon as the following types of conditions become known:
  - 1) Problems, delays, or adverse conditions that will materially impair the ability to meet the objectives of this Agreement. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

**EXHIBIT F**  
**(Standard Agreement)**

- 2) Favorable developments that enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

16. SPECIAL CONDITIONS FOR “HIGH-RISK” CONTRACTORS

- A. Contractor may be considered high risk if CSD determines that Contractor:
  - 1) Has a history of unsatisfactory performance,
  - 2) Is not financially stable, or
  - 3) Has not conformed to the terms and conditions of this Agreement.
- B. Special conditions or restrictions may include:
  - 1) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period;
  - 2) Requiring additional, more detailed financial reports;
  - 3) Additional project monitoring; or
  - 4) Requiring the Contractor to obtain technical or management assistance.
- C. If CSD decides to impose such conditions, CSD will notify the Contractor as early as possible, in writing, of:
  - 1) The nature of the special conditions/restrictions;
  - 2) The reason(s) for imposing them;
  - 3) The corrective actions that must be taken before they will be removed and the time allowed for completing the corrective actions; and
  - 4) The method of requesting reconsideration of the conditions/restrictions imposed.

17. FORMS

CSD shall provide masters of LHC forms referenced in the body of this Agreement to Contractor for duplication and use.

**EXHIBIT F**  
**(Standard Agreement)**

18. ATTACHMENTS

- A. EXHIBIT F, PROGRAMMATIC PROVISIONS, Attachment I, WORK PLAN, is attached to this Agreement and hereby incorporated by this reference.
- B. EXHIBIT F, PROGRAMMATIC PROVISIONS, Attachment II, BENCHMARK STANDARDS WORKSHEET, is attached to this Agreement and hereby incorporated by this reference.



**EXHIBIT G**  
**(Standard Agreement)**

**DEFINITIONS**

Abatement: Any set of measures designed to permanently eliminate lead-based paint hazards.

Administrative Costs: The allowable, reasonable, and allocable direct and indirect costs related to the overall management of this Agreement for lead hazard reduction activities. Specific activities included in this cost category include, but are not limited to, accounting, auditing, monitoring assistance, and like services necessary to sustain the direct activities required by this Agreement.

Agreement: The complete contents of this contract entered into by and between the State and Contractor, including all rights, duties, and obligations, whether expressed or implied, required toward the legal performance of the terms hereof.

Assessment: The process of performing an on-site review of the dwelling unit in order to determine the labor and materials necessary to eliminate or reduce the lead-based paint hazards in the unit as required.

Authorized Agent: The duly authorized representative of the Board of Directors of Contractor and the duly elected or appointed, qualified, and acting officer of the State. In the case of Contractor, the State shall be in receipt of a board resolution affirming an agent's representative capacity to bind Contractor to the terms of this Agreement.

California Accredited Program: A California-approved certification or licensing program conducted in accordance with Title 17, California Code of Regulations, Division 1, Chapter 8, Sections 35001 et seq.

California Certified: Certified by the State of California, Department of Health Services, as a lead-related construction worker, supervisor, or other appropriate certificated staff.

Certified Contractor: A contractor who is California certified as a Lead-Related Construction Inspector/Risk Assessor, Supervisor, Project Monitor, and/or Worker and who will conduct lead-hazard reduction work in accordance with that certification.

Children: Members of a household who have not attained their nineteenth (19th) birthday.

CLPPP: California Department of Health Services Local Childhood Lead Poisoning Prevention Program.

Contractor: The entity (partnership, corporation, association, or agency) designated on the face sheet of this Agreement.

CSD: The State of California, Department of Community Services and Development.

**EXHIBIT G**  
**(Standard Agreement)**

DHS: The State of California, Department of Health Services.

Direct Project Costs: The allowable costs that are incurred in the direct implementation of activities as required under this Agreement. Activities are limited to dust and soil testing, combined lead-based paint inspection and risk assessments, interim controls, abatement of lead hazards, and temporary relocation, and clearance examinations.

Dwelling Unit: A house, apartment, group of rooms, or single room occupied as separate living quarters.

Elevated Blood-Lead Level (EBL): A blood lead level of greater than or equal to 10 ug/dl of blood (micrograms of lead per deciliter).

Encapsulation: A method of abatement that involves the coating and sealing of surfaces with durable surface coatings specifically formulated to be elastic, long-lasting, and resistant to cracking, peeling, algae, and fungi so as to prevent lead-containing substances becoming a part of house dust or accessible to children through chalking or flaking. Paint is not an encapsulant.

Enclosure: The resurfacing or covering of surfaces, and sealing or caulking with durable materials so as to prevent or control chalking, flaking, or lead-containing substances from becoming part of house dust or accessible to children.

Hazard Reduction (also known as Interim Controls): A set of measures designed to temporarily reduce human exposure to lead-based paint hazards created by deteriorating lead-based paint.

HDP: Housing Developer Pro software program.

High Efficiency Particulate Accumulator (HEPA): A vacuum cleaner fitted with a filter capable of filtering out particles of 0.3 microns or greater from a body of air at 99.997 percent efficiency or more.

Household: All persons living together in a dwelling unit.

HUD: The United States Department of Housing and Urban Development.

Intake: Includes but is not limited to the process of completing an intake form and reviewing documentation in order to verify eligibility and gather initially required data.

Interim Controls: See Hazard Reduction.

LHC: Lead Hazard Control.

**EXHIBIT G**  
**(Standard Agreement)**

Low Income, Moderate Income: “Low income” means an individual, household, or family earning a maximum of 80 percent of the area median income as determined by HUD. “Moderate income” means an individual, household, or family earning a maximum of 95 percent of the area median income as determined by HUD. HUD may establish income ceilings higher or lower than 80 or 95 percent of the area median income based on HUD findings that such variations are necessary.

LPA: Lead Paint Analyzer.

Migrant Farm Worker: A seasonal farm worker who, during the eligibility determination period (any consecutive 12-month period within the 24-month period preceding application for program benefits and/or services) performs or has performed farm work that requires travel such that the worker is unable to return to his/her domicile (permanent place of residence) within the same day.

Parties: The State of California and the Contractor.

Portable Data Recorder (PDR): A Portable Data Recorder is a lightweight data-entry solution for lead inspectors in the field. The PDR is designed to run on a handheld personal computer (PC) and allows the lead inspector to eliminate handwritten notes and laptop computers.

Program: All activities designed to research, assess, and reduce lead-based paint hazards conducted under the U.S. Department of Housing and Urban Development grant that the Department of Community Services and Development has received.

Program Support Costs: All allowable costs that are essential to the implementation of this Agreement but that are neither direct contract activities nor administrative costs. Specific activities included in this cost category include, but are not limited to, outreach, client education, intake, unit assessment, procuring liability insurance, training, supporting data collection, purchasing or leasing equipment, reporting activities, blood lead testing and like services necessary to sustain the direct activities required by this Agreement.

RMD: Radiation Monitoring Device.

Replacement: A strategy of abatement that entails removing components such as windows, doors, and trim that have lead-based paint surfaces and installing new components free of lead-based paint.

Seasonal Farm Worker: A person who, during the eligibility determination period (any 12-month period within the 24-month period preceding application for program benefits and/or services), was employed at least 25 days in farm work or who earned at least \$400 in farm work and who has been primarily employed in farm work on a seasonal basis, without a constant, year-round salary.

**EXHIBIT G**  
**(Standard Agreement)**

Separate Living Quarters: Living quarters in which the occupants do not live and eat with any other persons in the structure and which have either: (1) direct access from the outside of the building or through a common hall; or (2) complete kitchen facilities for the exclusive use of the occupants. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

State: The State of California, Department of Community Services and Development.

Subcontract: A contract entered into by and between the Contractor and its Subcontractor to carry out the purposes of this Agreement.

Subcontractor: An entity (partnership, corporation, association, agency, or individual) that enters a subcontract with Contractor to fulfill a portion of the terms of this Agreement.

Substrate: The material to which a coating such as paint is applied. Residential substrates are usually wood, plaster, masonry, gypsum board, or metal, including components such as doorframes, window trim, walls, ceilings, and baseboards.

Surface: The outer or topmost boundary of a substrate.

Testing: The measurement of lead in painted surfaces by Federal- or California-certified personnel using a portable X-ray Fluorescence analyzer, laboratory analysis of paint samples, or other methods approved by the U.S. Department of Housing and Urban Development.

Trained Worker: A worker who has successfully completed a California-accredited Lead-Related Construction Work training program.

WX: Weatherization.

XRF: X-ray Fluorescence.



**EXHIBIT H**  
**(Standard Agreement)**

(2007 Lead)

**CERTIFICATION REGARDING LOBBYING**

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
FAMILY SUPPORT ADMINISTRATION

PROGRAM: **Lead Hazard Control Services**

PERIOD: **February 1, 2007 through April 30, 2009**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Agency/Organization

\_\_\_\_\_  
Date

Approved by OMB  
0348-0046

**EXHIBIT H**  
**(Standard Agreement)**  
**DISCLOSURE OF LOBBYING ACTIVITIES**  
CONTINUATION SHEET

(2007 Lead)

Approved by OMB  
0348-0046

Reporting Entity: \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

**EXHIBIT H**  
**(Standard Agreement)**

(2007 Lead)

Standard Form - LLL-A

**INSTRUCTION FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES**

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and ZIP Code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full name of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budgets. Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

\\Cobra\shared\Contracts\Lead Hazard Control\2007 Lead\Exhibit H, Certification Regarding Lobbying Disclosure of Lobbying Activities.doc



**EXHIBIT C**  
**(Standard Agreement)**

**GENERAL TERMS AND CONDITIONS** GTC 306

1. APPROVAL

This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required.

2. AMENDMENT

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. INDEMNIFICATION

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

**EXHIBIT C**  
**(Standard Agreement)**

6. DISPUTES

Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. NON-DISCRIMINATION CLAUSE

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

**EXHIBIT C**  
**(Standard Agreement)**

10. CERTIFICATION CLAUSES

The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 1005 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

11. TIMELINESS

Time is of the essence in this Agreement.

12. COMPENSATION

The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

13. GOVERNING LAW

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

14. CHILD SUPPORT COMPLIANCE ACT

“For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

- a) The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.”

15. UNENFORCEABLE PROVISION

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

**EXHIBIT C**  
**(Standard Agreement)**

16. PRIORITY HIRING CONSIDERATIONS

If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

CCC-1005

**CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

**CONTRACTOR CERTIFICATION CLAUSES**

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. **NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

#### 4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO

**REQUIREMENT:** Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003. Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. **EXPATRIATE CORPORATIONS:** Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

#### 6. **SWEATFREE CODE OF CONDUCT:**

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. **DOMESTIC PARTNERS:** For contracts executed or amended after July 1, 2004, the contractor may elect to offer domestic partner benefits to the contractor's employees in accordance with Public Contract Code section 10295.3. However, the contractor cannot require an employee to cover the costs of providing any benefits which have otherwise been provided to all employees regardless of marital or domestic partner status.

#### DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. **CONFLICT OF INTEREST:** Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored

or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.



# BUDGET LETTER

<b>SUBJECT:</b> SAFEGUARDING ACCESS TO STATE DATA	<b>NUMBER:</b> 04-35
<b>REFERENCES:</b> STATE ADMINISTRATIVE MANUAL SECTIONS 4840.4, 4841.2 4841.3	<b>DATE ISSUED:</b> November 16, 2004 <b>SUPERSEDES:</b>

TO: Agency Secretaries  
Department Directors  
Departmental Budget Officers  
Departmental Chief Information Officers  
Departmental Information Security Officers  
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

**Note:** Budget Officers are requested to forward a copy of this Budget Letter (BL) to your department's Information Security Officers (ISOs) and department's Chief Information Officers (CIOs). The Finance State ISO Office will also distribute this BL separately to the ISOs and CIOs on the current contact list.

## BACKGROUND

The Department of Finance (Finance) is responsible for establishing the framework for the State's information technology (IT) security policies and activities, and for IT security oversight. This BL expands upon and clarifies policy about protecting the State's information resources.

The State Administrative Manual (SAM) Section 4841.2, Information Integrity and Security, requires that each agency provide for the integrity and security of its automated files and databases. New policy in this section requires written agreements with vendors, consultants, or researchers before they are allowed access to State data.

Although some agencies already have practices in place that support these policies, it is critical that State data in all agencies be protected through good policy and practice.

## POLICY

The following definition and policy are effective immediately. The changes will appear in the next update of the SAM. You may refer to Attachment I, "Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2," to see the context of this policy change.

### Definition:

**Non-State Entity.** A business, organization, or individual that is not a State entity, but requires access to State information assets in conducting business with the State. (This definition includes, but is not limited to, researchers, vendors, consultants, and their employees, and entities associated with federal and local government and other states.)

Policy:

Each agency must provide for the integrity and security of its information assets by ensuring that responsibility for each automated file or database is defined.

Every agency must establish appropriate policies and procedures for preserving the integrity and security of each automated file or database. This requirement includes the use of agreements with non-state entities, to cover, at a minimum, the following:

- Appropriate levels of confidentiality for the data, based on data classification (see SAM section 4841.3);
- Standards for transmission and storage of the data, if applicable;
- Agreement to comply with all State policy and law regarding use of information resources and data;
- Signed confidentiality statements;
- Agreement to apply security patches and upgrades, and keep virus software up-to-date on all systems on which the data may be used; and
- Agreement to notify the State data owners promptly if a security incident involving the data occurs.

**CONTACTS AND QUESTIONS**

You may call the State ISO Office at (916) 445-5239 if you have questions about this BL or about the practices.

/s/ Veronica Chung-Ng

Veronica Chung-Ng  
Program Budget Manager

Attachment

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

*New text is in italics; nothing was deleted.*

#### **4840.4 DEFINITIONS**

**Confidential Information.** Information maintained by state agencies that is exempt from disclosure under the provisions of the California Public Records Act (Government Code Sections 6250-6265) or other applicable state or federal laws. See SAM Section 4841.3.

**Critical Application.** An application that is so important to the agency that its loss or unavailability is unacceptable. With a critical application, even short-term unavailability of the information provided by the application would have a significant negative impact on the health and safety of the public or state workers; on the fiscal or legal integrity of state operations; or on the continuation of essential agency programs.

**Custodian of Information.** An employee or organizational unit (such as a data center or information processing facility) acting as a caretaker or an automated file or database.

**Disaster.** A condition in which an information asset is unavailable, as a result of a natural or man-made occurrence, that is of sufficient duration to cause significant disruption in the accomplishment of agency program objectives, as determined by agency management.

**Hardening.** A defense strategy to protect against attacks by removing vulnerable and unnecessary services, patching security holes, and securing access controls.

**Information Assets.** (1) All categories of automated information, including (but not limited to) records, files, and databases; and (2) information technology facilities, equipment (including personal computer systems), and software owned or leased by state agencies.

**Information Integrity.** The conditions in which information or programs are preserved for their intended purpose; including the accuracy and completeness of information systems and the data maintained within those systems.

**Information Security.** The protection of automated information from unauthorized access (accidental or intentional), modification, destruction, or disclosure.

**Owner of Information.** An organizational unit having responsibility for making classification and control decisions regarding an automated file or database.

**Non-State Entity.** *A business, organization, or individual that is not a State entity, but requires access to State information assets in conducting business with the State. (This definition includes, but is not limited to, researchers, vendors, consultants, and their employees, and entities associated with federal and local government and other states.)*

**Physical Security.** The protection of information processing equipment from damage, destruction or theft; information processing facilities from damage, destruction or unauthorized entry; and personnel from potentially harmful situations.

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

**Privacy.** The right of individuals and organizations to control the collection, storage, and dissemination of information about themselves.

**Public Information.** Any information prepared, owned, used, or retained by a state agency and not specifically exempt from the disclosure requirements of the California Public Records Act (Government Code Sections 6250-6265) or other applicable state or federal laws.

**Risk.** The likelihood or probability that a loss of information assets or breach of security will occur.

**Risk Analysis.** The process of evaluating: (a) the vulnerability of information assets to various threats, (b) the costs or impact of potential losses, and (c) the alternative means of removing or limiting risks.

**Risk Management.** The process of taking actions to avoid risk or reduce risk to acceptable levels.

**Sensitive Information.** Information maintained by state agencies that requires special precautions to protect it from unauthorized modification, or deletion. See SAM Section 4841.3. Sensitive information may be either public or confidential (as defined above).

**User of Information.** An individual having specific limited authority from the owner of information to view, change, add to, disseminate or delete such information.

#### **4841.2 INFORMATION INTEGRITY AND SECURITY**

Each agency must provide for the integrity and security of its information assets by:

1. Identifying all automated files and databases for which the agency has ownership responsibility (see SAM Section 4841.4);
2. Ensuring that responsibility for each automated file or database is defined with respect to:
  - a. The designated owner of the information within the agency;
  - b. Custodians of information; and
  - c. Users of the information;
  - d. Ensuring that each automated file or database is identified as to its information class (SAM Section 4841.3) in accordance with law and administrative policy;
  - e. Establishing appropriate policies and procedures for preserving the integrity and security of each automated file or database including:
    1. *Agreements with non-state entities to cover, at a minimum, the following:*

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

- a. Appropriate levels of confidentiality for the data based on data classification (see SAM Section 4841.3);*
    - b. Standards for transmission and storage of the data, if applicable;*
    - c. Agreement to comply with all State policy and law regarding use of information resources and data;*
    - d. Signed confidentiality statements;*
    - e. Agreement to apply security patches and upgrades, and keep virus software up-to-date on all systems on which data may be used; and*
    - f. Agreement to notify the State data owners promptly if a security incident involving the data occurs.*
  2. Identifying computing systems that allow dial-up communication or Internet access to sensitive or confidential information and information necessary for the support of agency critical applications;
  3. Auditing usage of dial-up communications and Internet access for security violations;
  4. Periodically changing dial-up access telephone numbers; and
  5. Responding to losses, misuse, or improper dissemination of information.
3. Establishing appropriate departmental policies and procedures to protect and secure IT infrastructure, including:
  - a. Technology upgrade policy, which includes, but is not limited to, operating system upgrades on servers, routers, and firewalls. The policy must address appropriate planning and testing of upgrades, in addition to departmental criteria for deciding which upgrades to apply.
  - b. Security patches and security upgrade policy, which includes, but is not limited to, servers, routers, and firewalls. The policy must address application and testing of the patches and/or security upgrades, in addition to departmental criteria for deciding which patches and security upgrades must be applied, and how quickly.
  - c. Firewall configuration policy, which must require creation and documentation of a baseline configuration for each firewall, updates of the documentation for all authorized changes, and periodic verification of the configuration to ensure that it has not changed during software modifications or rebooting of the equipment.
  - d. Server configuration policy, which must clearly address all servers that have any interaction with Internet, extranet, or intranet traffic. The policy must require creation and documentation of a baseline configuration for each server, updates of the documentation for all authorized changes, and periodic checking of the configuration to ensure that it has not changed during software modifications or rebooting of the equipment.

Advance Copy of Changes to State Administrative Manual Sections 4840.4 and 4841.2

- e. Server hardening policy, which must cover all servers throughout the department, not only those that fall within the jurisdiction of the department's IT area. The policy must include the process for making changes based on newly published vulnerability information as it becomes available. Further, the policy must address, and be consistent with, the department's policy for making security upgrades and security patches.

Each state data center must carry out these responsibilities for those automated files and databases for which it has ownership responsibility. See SAM Sections 4841.4 and 4841.5.

Oversight responsibility at the agency level for ensuring the integrity and security of automated files and databases must be vested in the agency Information Security Officer.

*The head of each agency is responsible for compliance with the policy described in this section. See SAM Section 4841.1.*